

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Inventor: Robert Lee and Jeffrey T. Haley and Angelina Ople

Application No.: PCT/US00/14449

International Filing Date: 25 May 2000

Title: THIN MAGNETIC MEDIUM READ HEAD

Examiner:

Group Art Unit:

Attorney Docket No.: 2366-002-03

Attention: Office of Petitions  
Commissioner for Patents  
P O Box 1450  
Alexandria, VA 22313-1450

CERTIFICATE OF MAILING OR TRANSMISSION

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PETITION UNDER 37 CFR 1.137(b) FOR REVIVAL OF AN APPLICATION FOR  
PATENT ABANDONED UNINTENTIONALLY

Dear Sir:

The applicant, UTM Systems Corp. (UTM), filed an application for patent, PCT/US00/14449, under the Patent Cooperation Treaty (PCT). Before the expiration of the 30-month deadline to enter the PCT application into the U.S. National Stage under 35 U.S.C. 371, some of UTM's creditors initiated a bankruptcy proceeding against UTM. Because of the bankruptcy proceeding, the 30-month deadline expired before UTM

completed entry of the PCT application into the U.S. National Stage. Graybeal Jackson Haley LLP has recently acquired all of UTM's rights in the PCT/US00/14449 application from the bankruptcy proceeding, and respectfully petitions for revival of the U.S. National Stage patent application that was unintentionally abandoned.

1. Graybeal Jackson Haley LLP respectfully petitions for revival of the National Stage patent application under 37 CFR 1.137(b) and MPEP 1893.02, and respectfully requests that the Director grant the petition because the National Stage application was unintentionally abandoned, and the entire delay in filing this grantable petition under 37 CFR 1.137(b) was unintentional.

2. On 26 May 2000, Mr. Haley of Graybeal Jackson Haley LLP filed a patent application with the United States Patent and Trademark Office (USPTO) under the PCT for UTM. The patent application was titled THIN MAGNETIC MEDIUM READ HEAD, and received an application number, PCT/US00/14449. The patent application claimed priority from U.S. Provisional Patent Application Serial No.: 60/136,603 that was filed on 27 May 1999, and U.S. Patent Application Serial No.: 09/560,842 that was filed on 28 April 2000. A copy of the first page of the international publication (WO 00/74040A1) of the PCT application showing the date of filing and priority claims is attached as Exhibit A.

3. On 20 December 2000 Mr. Haley timely filed a Demand for Preliminary Examination in the PCT application. A copy of the INPADOC legal status listing of the PCT application showing the date that the Demand was requested is attached as Exhibit B. Because the PCT application claimed priority from the U.S. application filed on 27 May 1999, and the demand was timely filed, the 30-month deadline to complete the entry of the PCT application into the U.S. National Stage by completing the requirements of 35 U.S.C. 371(c) expired 27 November 2001.

4. On 1 April 2001 applicant granted Graybeal Jackson Haley LLP a security interest in the PCT application, and on 1 May 2001 Graybeal Jackson Haley LLP filed a financing statement with the State of Washington to perfect their security interest. A

copy of the receipt from the State of Washington indicating the filing of the financing statement is attached as Exhibit C.

5. On 27 August 2001, the United States Bankruptcy Court for the Western District of Washington at Seattle granted an involuntary petition to commence bankruptcy proceedings filed by some of UTM's creditors. A copy of the Involuntary Petition showing the relief granted by the Court is attached as Exhibit D. Consequently, as of 27 August 2001, the Court suspended all debt collection efforts against UTM and its property, and took control over UTM's property, which included the PCT application.

6. On 28 November 2001 the deadline to complete the requirements of 35 U.S.C. 371(c) to complete entry of the PCT application into the U.S. National Stage expired. Because UTM was concerned about how it would navigate through the bankruptcy proceeding, and pay its creditors while avoiding liquidation, UTM unintentionally lost track of the 28 November 2001 deadline to pay the national fee, to provide an oath or declaration under 35 U.S.C 115 of the inventors, and to file a copy of the PCT application. Moreover, neither the PCT Receiving Office nor the United States Patent and Trademark Office (USPTO) issues a notice of abandonment when an applicant misses the 30-month deadline to complete entry into the U.S. National Stage. Therefore, UTM and Graybeal Jackson Haley LLP never received notice from the PCT Receiving Office or the USPTO indicating that UTM missed the 30-month deadline to complete entry of the PCT application into the U.S. National Stage.

7. On 24 March 2005, Graybeal Jackson Haley LLP requested relief from the bankruptcy Court's suspension of all debt collection efforts against UTM and its property to foreclose on the PCT application. A copy of the Motion For Relief from Stay is attached as Exhibit E. On 28 April 2005, the bankruptcy Court granted Graybeal Jackson Haley LLP's request for relief. A copy of the Order is attached as exhibit F. Then, on 30 May 2005 Graybeal Jackson Haley LLP concluded foreclosure proceedings on the PCT application and obtained ownership of the application.

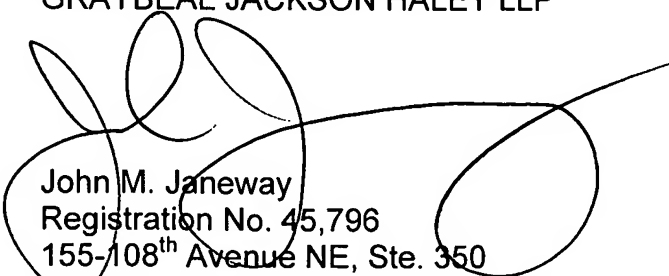
8. From 27 August 2001 to 28 April 2005, the PCT application was subject to the bankruptcy Court's control.

9. After receiving ownership of the PCT application, Graybeal Jackson Haley LLP searched for and retrieved facts to support this petition to revive, and then prepared this petition. The duration of the eight-month-period between receiving ownership of the PCT application and filing this petition to revive the patent application was unintentional.

10. If the Director refuses to revive the National Stage patent application, and If the U.S. patent application, serial number 09/560,842, that the National Stage patent application claims priority to is revivable, then Graybeal Jackson Haley LLP requests that the Director consider this petition a petition to revive the unintentionally abandoned U.S. patent application 09/560,842. Graybeal Jackson Haley LLP also requests an opportunity to provide a response to the outstanding Office Action in U.S. patent application 09/560,842 to complete the petition.

Dated this 7<sup>th</sup> day of February 2006.

Respectfully submitted,  
GRAYBEAL JACKSON HALEY LLP



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**Status of UTM Systems Corporation Patent Applications**  
April 1, 2001

1624-1-2	U.S. APPL. NO.: 09/322,670	DATE FILED: May 28, 1999
1624-2	U. S. APPL. NO.: 09/322,669	DATE FILED: May 28, 1999
1624-3-3	U. S. APPL. NO.: 09/560,842	DATE FILED: April 28, 2000
1624-3-4	PCT/US00/14449	DATE FILED: May 25, 2000
1624-3-5	Taiwan Appl. No. 89110220	DATE FILED: June 14, 2000.
1624-4-4	U. S. APPL. NO.: 09/580,321	DATE FILED: May 26, 2000
1624-4-PCT	PCT Application to be filed.	
1624-16-1	PCT/US00/14592	DATE FILED: May 26, 2000
1624-16-2	(US) waiting to file application based on pending PCT application.	
1624-17-1	PCT/US00/14591	DATE FILED: May 26, 2000
1624-17-2	(US) waiting to file application based on pending PCT application.	

# TRADEMARK STATUS REPORT

UTM Systems Corporation  
(Client No. 1624)

Country/ State*	Mark	Application No.	Application Date	Registration No.	Registration Date	Next Deadline	Action Required	Docket	Status/Other
China	UNIVERSAL TELLER MACHINE	9900145056	1999/12/02					1624-9-4	ABANDONED
China	UTM		1999/12/02					1624-7-4	PENDING
China	UTM SYSTEMS <sup>1</sup>	9900145055	1999/12/02				Check status	1624-8-4	PENDING 7/5/00: response filed
European Union (CTM)	UNIVERSAL TELLER MACHINE	1367358				2000/12/05	Check status	1624-9-6	PENDING 6/5/00: published
European Union (CTM)	UTM	1367572	1999/11/02	1367572	1999/11/02	2004/11/02	Use due	1624-7-6	REGISTERED 11/2/2009: renewal
European Union (CTM)	UTM SYSTEMS	1367226				2000/12/05	Check status	1624-8-6	PENDING 6/5/00: published
Hong Kong	UNIVERSAL TELLER MACHINE	99/16148	1999/11/08					1624-9-3	ABANDONED
Hong Kong	UTM	99/16146	1999/11/08			2001/01/10	Check status	1624-7-3	PENDING
Hong Kong	UTM SYSTEMS	99/16147	1999/11/08					1624-8-3	ABANDONED

TRADEMARK STATUS REPORT

UTM Systems Corporation  
(Client No. 1624)

Country/ State <sup>iv</sup>	Mark	Application No.	Application Date	Registration No.	Registration Date	Next Deadline	Action Required	Docket	Status/Other
Japan	UNIVERSAL TELLER MACHINE <sup>ii</sup>	11-98904	1999/11/01					1624-9-2	ABANDONED
Japan	UTM <sup>iii</sup>	11-98902	1999/11/01			2001/05/11	Check status	1624-7-2	PENDING 11/8/00: response filed
Japan	UTM SYSTEMS <sup>iv</sup>	11-98903	1999/11/01					1624-8-2	ABANDONED
Mexico	UNIVERSAL TELLER MACHINE <sup>v</sup>	397299	1999/11/01	656405	1999/11/01	2009/11/01	Renewal	1624-9-5	REGISTERED
Mexico	UTM <sup>vi</sup>	397298	1999/11/01	656404	1999/11/01	2009/11/01	Renewal	1624-7-5	REGISTERED
Mexico	UTM SYSTEMS <sup>vii</sup>	397297	1999/11/01	656403	1999/11/01	2009/11/01	Renewal	1624-8-5	REGISTERED
Taiwan	UNIVERSAL TELLER MACHINE	88054370	1999/11/01					1624-9-7	ABANDONED
Taiwan	UTM	88054368	1999/11/01					1624-7-7	ABANDONED
Taiwan	UTM SYSTEMS	88054369	1999/11/01					1624-8-7	ABANDONED
United States	SIMPLY MORE SECURE	76/080,559	2000/06/29			2000/12/29	Priority deadline	1624-25-1	PENDING

# TRADEMARK STATUS REPORT

UTM Systems Corporation  
(Client No. 1624)

Country/ State*	Mark	Application No.	Application Date	Registration No.	Registration Date	Next Deadline	Action Required	Docket	Status/Other
United States	UNIVERSAL TELLER MACHINE	75/646,952				2001/09/26	Check status	1624-9-1	ABANDONED 7/4/00: published  Abandoned/check to see if they want to revive in 6 months
United States	UTM <sup>viii</sup>	75/646,241	1999/02/19			2001/07/24	Check status	1624-7-1	PENDING SOU Filed 4/24/01
United States	UTM SYSTEMS	75/646,236				2001/09/26	Check status	1624-8-1	ABANDONED 7/4/00: published  Check to see if they want to revive in 6 months

- <sup>i</sup> Electronic devices with embedded authentication and encryption microprocessors for connection to or embedding within computers, telephones and other communication devices;  
<sup>ii</sup> Electrical communication machines and instruments; electronic machines and instruments and parts and accessories for these  
<sup>iii</sup> Electrical communication machines and instruments  
<sup>iv</sup> Electrical communication machines and instruments; electronic machines and instruments and parts and accessories for these  
<sup>v</sup> Electronic devices with embedded authentication and encryption microprocessors for connection to or embedding within computers, telephones and other communication devices  
<sup>vi</sup> Electronic devices with embedded authentication and encryption microprocessors for connection to or embedding within computers, telephones and other communication devices  
<sup>vii</sup> Electronic devices with embedded authentication and encryption microprocessors for connection to or embedding within computers, telephones and other communication devices  
<sup>viii</sup> Security and authentication devices, namely integrated circuit chips featuring embedded authentication and encryption logic for incorporation in computers, telephones and other communication devices



Hon. Karen A. Overstreet  
Chapter 7  
Hearing: April 22, 2005  
9:30 a.m.

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

In re	)	No. 01-19563
UTM SYSTEMS CORPORATION,	)	
	)	ORDER GRANTING GRAYBEAL
Debtor.	)	JACKSON & HALEY LLP RELIEF
	)	FROM STAY
	)	(PROPOSED)

THIS MATTER having come before the Court on the motion of Graybeal Jackson & Haley LLP and the Court finding that notice and opportunity for a hearing were adequate under the circumstance, that no objection to the relief requested was filed by the response date, and good cause otherwise being shown, now, therefore, it is hereby

ORDERED as follows:

1. That the motion of Graybeal Jackson & Haley LLP for relief from stay be, and the same is hereby, granted.
2. That the automatic stay of 11 U.S.C. § 362(a) be, and the same is hereby, lifted to permit Graybeal Jackson & Haley LLP to pursue available remedies under nonbankruptcy law to realize upon the intellectual property listed on Exhibit A attached hereto.
3. That Graybeal Jackson & Haley LLP be, and the same is hereby, authorized to take any other action permitted under its security agreement which is not prohibited under nonbankruptcy law.

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ORDER GRANTING GRAYBEAL JACKSON &  
HALEY LLP RELIEF FROM STAY - 1

LAW OFFICE OF JOHN J. MITCHELL  
811 First Ave., Suite 620  
Seattle, WA 98104  
(206) 903-8555

4. That the relief from stay granted herein be, and it is hereby, effective immediately upon the entry of this order, notwithstanding the provisions of Fed. R. Bankr. P. 4001(a)(3).

DATED the \_\_\_\_\_ day of April, 2005.

**KAREN A. OVERSTREET**  
United States Bankruptcy Judge

**Presented by:**

John J. Mitchell  
WSBA No. 12757  
Attorney for Graybeal Jackson Haley LLP

(12) INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

(19) World Intellectual Property Organization  
International Bureau

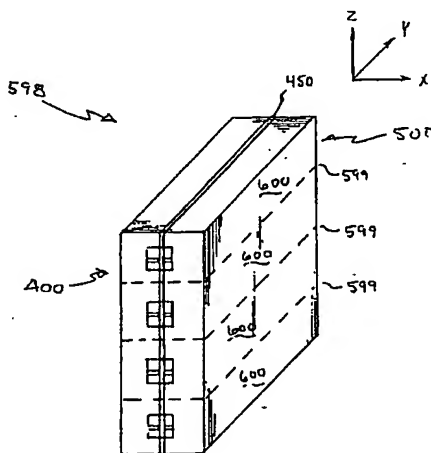


(43) International Publication Date  
7 December 2000 (07.12.2000)

PCT

(10) International Publication Number  
WO 00/74040 A1

- (51) International Patent Classification<sup>7</sup>: G11B 5/147
- (21) International Application Number: PCT/US00/14449
- (22) International Filing Date: 25 May 2000 (25.05.2000)
- (25) Filing Language: English
- (26) Publication Language: English
- (30) Priority Data:  
60/136,603 27 May 1999 (27.05.1999) US  
09/560,842 28 April 2000 (28.04.2000) US
- (71) Applicant: UTM SYSTEMS CORP. [US/US]; Suite 1110, 10900 Northeast Eighth Street, Bellevue, WA 98004-4454 (US).
- (72) Inventors: OPLE, Angelina; 8206 Caminito Lacayo, La Jolla, CA 92037 (US). LEE, Robert; 717-140th Avenue Southeast, Bellevue, WA 98005 (US). HALEY, Jeffrey, T.; 4730-91st Avenue Southeast, Mercer Island, WA 98040-4440 (US).
- (54) Title: THIN MAGNETIC MEDIUM READ HEAD
- (81) Designated States (*national*): AE, AL, AM, AT, AU, AZ, BA, BB, BG, BR, BY, CA, CH, CN, CU, CZ, DE, DK, EE, ES, FI, GB, GD, GE, GH, GM, HR, HU, ID, IL, IN, IS, JP, KE, KG, KP, KR, KZ, LC, LK, LR, LS, LT, LU, LV, MD, MG, MK, MN, MW, MX, NO, NZ, PL, PT, RO, RU, SD, SE, SG, SI, SK, SL, TJ, TM, TR, TT, UA, UG, UZ, VN, YU, ZA, ZW.
- (84) Designated States (*regional*): ARIPO patent (GH, GM, KE, LS, MW, MZ, SD, SL, SZ, TZ, UG, ZW), Eurasian patent (AM, AZ, BY, KG, KZ, MD, RU, TJ, TM), European patent (AT, BE, CH, CY, DE, DK, ES, FI, FR, GB, GR, IE, IT, LU, MC, NL, PT, SE), OAPI patent (BF, BJ, CF, CG, CI, CM, GA, GN, GW, ML, MR, NE, SN, TD, TG).
- Published:  
— With international search report.
- For two-letter codes and other abbreviations, refer to the "Guidance Notes on Codes and Abbreviations" appearing at the beginning of each regular issue of the PCT Gazette.



(57) Abstract: A thin film magnetic medium read head (600) is disclosed wherein the gap plane of the head is parallel to a plane generally defined by either the cores or the coils within the head structure. The read head comprises left and right core pieces (100, 200) of magnetic material, each core piece having a magnetic coil wound thereon and a flexible printed wiring board electrically connected to the coil, to form left and right core assemblies. The core assemblies are loaded edgewise into a plurality of slots (403a, 403b) formed in a pair of mirror image brackets, then a face of each bracket is machined so that the face is flush with an edge of the core assemblies. The two bracket (400) are then bonded to one another with a non-magnetic foil layer (450) between the bracket to establish a gap between opposing core assemblies. The brackets are then divided into separate heads along planes parallel to a plane parallel to the gap plane. A surface of each individual head parallel to the gap plane is then machined to expose a portion of the core assemblies and the gap.

WO 00/74040

PCT/US00/14449

## THIN MAGNETIC MEDIUM READ HEAD

10/568097

RELATION TO PREVIOUS APPLICATION

This application claims priority to provisional patent application serial no.  
5 60/136,603 filed on May 27, 1999.

## FIELD OF THE INVENTION

The present invention relates to magnetic medium read heads and a methods  
of making such heads.

10

## BACKGROUND OF THE INVENTION

Magnetic card readers have been widely used in many industries for magnetic  
strip reading. The advent of the global computer communications network, the  
Internet, and the growing use of private computer networks by banks and other  
15 financial institutions have created an even greater demand for small, lightweight and  
compact devices that can be used by individual consumers and corporate end-users  
to gain access to the myriad resources available on such networks. In an effort to  
satisfy the growing demand for access to computer communication resources via  
compact devices, such as, PCMCIA cards, devices contained in 3 1/2 inch floppy disk  
20 sized packages, PIM's (Personal Information Managers), mobile phones, and HPC's  
(handheld PC's), the developers of electronic devices have been actively  
investigating ways to miniaturize the components used in the compact devices that  
are in constant demand by consumers and other end-users. One of the components  
that is useful for the creation of smaller, compact devices is a thin, low cost magnetic  
25 medium read head. Such a device lends itself to incorporation in products with a thin  
form factor. Unfortunately, the creation of smaller devices often entails greater  
manufacturing costs. As the need has grown for a greater variety of such devices,  
there has been a growth in the demand for smaller components and better  
manufacturing processes that permit components to be produced at lower costs and  
30 which provide performance that is better than or comparable to their larger  
counterparts.

Prior art magnetic read heads for reading magnetic stripes or magnetic tape  
are typically thicker in the dimension measured perpendicular to the plane of the

magnetic medium to be read than they are in a plane parallel to the magnetic medium. Fig. 1a illustrates a magnetic read head of conventional construction. The read head 10 is comprised of cores 12 that are shown in the illustration to be constructed of multiple plates. Wire coils 14 surround a portion of the cores 12. The core/coil assemblies are fixed in a housing 15, indicated by the dashed outline, so that there is a gap 16 between opposing portions of the cores 12. As can be seen in Fig. 1a, the cores 12 generally define a plane, hereinafter the "core plane." In the case of conventional heads, the core plane is parallel to the 'z' and 'x' axes (or the z-x plane) shown in the figure. Similarly, the coils 14 each have a central axis, or centerline. The centerlines of the coils generally define a plane, hereinafter the "coil plane." Again, in the case of conventional heads, the coil plane is parallel to the z-x plane. The gap 16 is defined herein to be in a plane on the surface of the head, the "gap plane," parallel to the 'y' and 'x' axes (or the y-x plane). The gap plane is then perpendicular to the core plane and the coil plane in conventional heads.

Fig. 1b illustrates a conventional prior art read head 10 in relationship to a magnetic medium. In this case the medium illustrated is a magnetic tape 18. As shown, the gap 16 is proximate the magnetic tape 18. In other words, the gap plane is parallel to the plane generally defined by the magnetic tape, hereinafter the "magnetic medium plane," which is also parallel to the y-x plane. It is evident that a head of conventional construction, with the core plane perpendicular to the gap plane, will have considerable thickness in the "z" dimension. The smallest "z" dimension known in the art, for a head employing the conventional geometry discussed above, is approximately 0.26 inches (6.66 mm). A head of this thickness is inapplicable to many electronic package designs whose form factors call for an even thinner "z" dimension.

For the foregoing reasons, there is a need for a thin magnetic read head wherein the read head is very thin in the "z" dimension, as illustrated in Figs. 2 and 3, and a process for inexpensively making such a read head.

## SUMMARY OF THE INVENTION

The present invention is directed to a thin magnetic medium read head, and a process for manufacturing the read head, wherein the gap plane of the head is parallel to the core plane or the coil plane of the head, and these planes are parallel

to the magnetic medium plane. Because the medium to be read is thin but long and wide, making the read head nearly as long or wide parallel to the magnetic medium does not present a size problem in a very small device, while making the read head thick, perpendicular to the magnetic medium, greatly increases the necessary size of the device. Thus, a thin read head -- thin in the dimension perpendicular to the magnetic medium (which, by definition herein, is perpendicular to the gap plane, core plane and coil plane) -- satisfies the current and foreseeable needs for miniaturized components in small, inexpensive electronic devices incorporating magnetic medium reading capabilities.

10 In accordance with one embodiment of the invention, left and right core pieces are cut and formed from magnetic material. A joggle bend, or offset, is formed in the top portion on one end of the core pieces to a desired angle depending on the thickness of a wire coil to be placed on the core piece. The core pieces are heat-treated using a desired temperature cycle and gas environment to recover their magnetic properties after they have been fabricated. Magnetic coils are wound around one or both of the core pieces, forming core assemblies, to achieve the desired degree of induction from magnetic fields in the core pieces. Two mirror image brackets are formed from a non-magnetic material, and a plurality of slots are cut into each bracket to a desired depth and length. The core assemblies are inserted edgewise into the slots of the two brackets and bonded to the brackets by a bonding agent. Wire leads from the coils on the core pieces are fed out of each bracket for further electrical connection. Once the core pieces are bonded to the brackets, the face of each bracket, and the edges of the core pieces contained therein, are machined flat to establish a bonding surface. A bonding agent is then applied to the bonding surface of each bracket and the mirror image brackets are bonded to one another with a non-magnetic foil of a desired thickness disposed between the bonding surfaces of the brackets to establish a gap between opposing core pieces. The entire assembly is cured at a preferred temperature and pressure to create a unitized structure. After curing, the unitized structure is cut along planes parallel to the core planes or coil planes into separate heads. The heads are ground or lapped to the desired thickness. As the head is ground and lapped, the top portion of each core piece contained within the head will be exposed. The exposed top portion contains the gap that will be in contact with the magnetic stripe on a card

or other magnetic media. The head is lapped to a contour that allows for the optimum contact between the gap and the magnetic media. After contouring, the head may be mounted in a card reader by various methods.

Another embodiment of the present invention is a two track read head. A flat  
5 flexible cable is electrically connected to the coil wires of two core assemblies placed  
end to end, thus forming dual core assemblies. The dual core assemblies are  
inserted into slots in brackets. The fabrication procedure described above is  
duplicated. Each head then has two gaps and electrical connection to related  
circuitry is made through a portion of the flexible cable extending from an end of  
10 each head.

An aspect of the invention is the overall thinness in the "z" dimension, i.e.,  
perpendicular to the gap plane. In a preferred embodiment, the thinness is  
approximately 0.049". While an alternative embodiment has an overall thinness of  
0.020".

15 Another aspect of the invention is that it has a small aspect ratio. The ratio of  
the "z" dimension of a preferred embodiment to the "y" or "x" dimension is  
approximately 0.073, while an alternative embodiment has an aspect ratio of 0.03.

20

#### BRIEF DESCRIPTION OF THE DRAWINGS

Fig. 1a is an oblique view of a prior art read head.

Fig. 1b is an oblique view of a prior art read head in contact with a magnetic  
tape.

Fig. 2 is an oblique view of a single track read head.

25

Fig. 3 is an oblique view of a dual track head.

Fig. 4 is an oblique view of the left and right core pieces without a joggle.

Fig. 5 is an oblique view of the left and right core assemblies.

Fig. 6 is an oblique view of a bracket for a single track head.

Fig. 7 is a top view of a portion of a bracket loaded with a core assembly.

30

Fig. 8 is an end view of the unitized structure.

Fig. 9 depicts the planes along which the unitized structure is divided.

Fig. 10a is an oblique view of a single track read head.

Fig. 10b is an oblique view of an alternative embodiment of a single track read head.

Fig. 11 is an oblique view of a dual track head bracket.

5 Fig. 12 is a plan view of a flexible printed wiring board.

Fig. 13a is a plan view of a portion of a dual track head bracket loaded with a dual core assembly.

Fig. 13b is an elevation view of a dual track head bracket loaded with a dual core assembly.

10

#### DETAILED DESCRIPTION OF THE INVENTION

Fig. 4 shows a left core piece 100 and a right core piece 200, each piece having corresponding thickness "t", width "w" and length "l". The left core piece 100 and the right core piece 200 are manufactured from a magnetic alloy. In a preferred embodiment, the magnetic alloy typically consists of 80% nickel and 20% iron, referred to in the art as Permalloy, which is preferred due to its high permeability, low coercivity, high resistivity and high saturation induction. However, any other magnetic alloy known by those skilled in the art of creating magnetic read heads may be used in the core pieces 100, 200 to achieve the desired design and electrical signal characteristics.

The core pieces have three separate geometrical sections. Bottom sections 101, 201, middle sections 102, 202 and tapered top section 103, 203. In a preferred embodiment of the invention, the thickness "t" of cores 100, 200 is .010", the overall width "w" is .093", and the overall length "l" is .30". However, smaller dimensions are useful with the principal limitation being the components become very fragile and difficult to handle as the dimensions are reduced, in particular the thickness "t". An alternative embodiment employs a core with a thickness of .005".

Figure 5 depicts the core pieces 100, 200 having a joggle bend in the tapered portions 103, 203. (A joggle being a compound bend designed to offset portions of a flat, or planar, material, and keep the resultant planes parallel to one another.) The tapered section 103, 203 of the core pieces 100, 200 shown bent to an angle "A" of 36 degrees. However, the degree to which tapered sections 102, 203 are bent



102, 202. The joggle dimension 111, 211 is 0.036 inches in a preferred  
embodiment, although this dimension may vary according to the thickness of the  
wire coil and clearance requirements for the later machining steps. After forming,  
the core pieces 100, 200 are heat treated using a desired temperature and gas  
5 environment to recover their magnetic properties.

Fig. 5 also shows the core pieces 100, 200 having an AWG 49 copper wire,  
commonly referred to as magnetic wire, winding or coil 110, 210 wound about middle  
sections 102, 202. The number of turns and wire gauge required in the coils 110,  
210 will vary depending in part on the core materials, the strength of the magnetic  
10 flux passing through the cores, and whether only one or both cores are wound with  
coils. Copper wire is typically used in read heads, but other applicable wire materials  
are known in the art. Wire of AWG 56 is known in the art and may be used to form  
coils 110, 210.

In Fig. 6, a left bracket for a single track head 400 is shown generally. In a  
15 preferred embodiment of the present invention, the bracket 400 is made from  
aluminum 6061, commonly referred to as Al 6061, although other materials may be  
used to make the brackets such as plastic, ceramic or other non-magnetic materials  
known by those skilled in the art of producing magnetic read heads. The bracket  
400 has a bonding face 401 with two raised edges 402a and 402b with a plurality of  
20 opposing slots 403a and 403b. The overall dimensions of bracket 400 and the  
spacing of the slots 403a, 403b are variable depending on the machining techniques  
employed as will be obvious to one skilled in the art. However, the depth 404 of the  
slots 403a, 403b, is nominally the same as the width "w" of cores 100, 200 for  
reasons that will become apparent below. The width 406a of slots 403a is slightly  
25 larger than the joggle dimension 111, 211 of cores 100, 200. The width 406b of slots  
403b is slightly larger than the thickness "t" of the cores 100, 200. A right bracket  
500 (not shown in Fig. 6) is a mirror image of bracket 400.

Fig. 7 is a top view of a portion of bracket 400 with showing a left core  
assembly 120, comprised of a left core 100 and left coil 110, inserted edgewise in  
30 opposing slots 403a, 403b. The tapered section 103 is inserted in slot 403a, and the  
bottom section 101 is inserted in slot 403b. The coil assembly 120 is then bonded in  
place by epoxy or other bonding agent known in the art. After the bonding agent has  
cured, the bonding face 401 is machined flat, as by lapping or a similar process,

such that the core assembly edges 121 of the core assembly 120 and the bonding face 401 are co-planar. This process is repeated using a mirror image right bracket 500 and right core assemblies 220 comprised of right cores 200 and coils 210. (not shown)

5        Refer now to Fig. 8. A thin layer of foil 450 is secured between bonding faces 401 and 501 with a bonding agent. The foil 450 determines the thickness of gap 16 between opposing top sections 103, 203 of core assemblies 120, 220 contained within the bonded brackets as indicated by the dashed lines. The foil 450 may be made from copper, mica, or any other non-magnetic material known to those skilled  
10 in the art of making electromagnetic reader heads. The thickness of the foil is 0.0005 inches in a preferred embodiment of the invention. However, gap forming foils ranging from 0.0001 to 0.0015 inches are known in the art.

      Refer now to Fig. 9. After curing of the bonding agent, the unitized structure 598 comprising the brackets 400, 500 and the opposing pairs of core assemblies  
15 120, 220 are divided into individual read heads 600 along planes 599 parallel to the y-x plane, preferably by cutting.

      Refer now to Fig. 10a. After separating, individual heads 600 are machined by various grinding, lapping or polishing processes to finished dimensions. As the heads are machined thinner in the "z" dimension, the tapered sections 103, 203 are  
20 partially exposed. This exposed portion of the sections 103, 203 contains the gap 16. The gap face 601 containing the gap 16 generally defines the gap plane of the read head as discussed above in the Background section. The gap face 601 is further machined to a desired contour that allows for optimum contact between the gap and the magnetic medium. Bearing in mind that the coils 110, 210 contained  
25 within the head have a thickness in the "z" dimension, it can now be better appreciated the need for a joggle, or offset, in the core pieces. This permits machining to expose the tapered sections 103, 203 without damaging the coils.

      The present invention results in a read head with a very small dimension in the "z" dimension relative to prior art read heads because the core assemblies 120,  
30 220 have been in effect rotated 90 degrees compared to the orientation of core assemblies within conventional read heads (Refer to Figs. 1a and 1b.)

      An alternative embodiment is illustrated in Fig. 10b. In this case the core pieces do not have a joggle, or have a joggle of lesser thickness than the coils,

formed in tapered sections 103, 203. The machining steps to expose the top sections, are restricted to the portion of head 600 not containing the coils. A head fabricated in this manner can be used to read a magnetic medium such as a magnetic stripe located proximate an edge of a credit card. Because the thickness of the card does not overlap the thickest point of the read head, the total thickness of the final device with a card slot can be thinner still.

An alternative embodiment of the present invention is a two track read head 700 shown generally in Fig. 3. The two track embodiment is similar in most respects to the single track embodiment previously disclosed. In a preferred embodiment, it includes a flexible printed wiring board (PWB) 710a and 710b to provide electrical connection to the coils contained within the head. Gaps 16 are positioned relative to a magnetic medium (not shown) so that two tracks of encoded information can be read simultaneously.

Fig. 11 depicts left bracket 800. The bracket 800 is essentially a double width version of bracket 400 described above, providing room in the slots 803 for receiving two core assemblies inserted end-to-end, i.e., tapered section-to-tapered section. A mirror image to left bracket 800 is right bracket 900 (not shown).

Fig. 12 is a plan view of flexible PWB 710a. The flexible PWB is constructed of material and by techniques well known in the art. Electrical traces 711 are electrically connected to the wires forming coils 110, 210 (not shown) at locations identified by notches 712. The electrical traces conduct signals to pads 713 for further electrical connection to related circuitry. Flexible PWB 710b (not shown) is a mirror image of flexible PWB 710a.

Fig. 13a is a plan view of a portion of bracket 800 with slots 803 loaded with a dual core assembly 1000 comprised of core assemblies 120, 220 and flexible PWB 710a connected to core assemblies 120, 220. Fig. 13b is a side view of the loaded bracket 800. The mirror image right bracket 900 is similarly loaded with dual core modules 1002 (not shown) which are mirror images of core modules 1000. The modules 1000, 1002 are then bonded to their respective brackets as described previously.

The remaining manufacturing steps are the same as in the previously described single-track read head. The result is the dual-track read head illustrated in

Fig. 3. A single-track read head may be constructed using the flexible PWB described.

It will be apparent to those skilled in the art that other shapes and arrangements of the cores and coils are readily applicable to the invention with minor  
5 modifications. For example, it is known in the art to make the cores in a generally horseshoe, or U-shaped. Such a shape will still generally define a plane analogous to the core plane defined above. A coil or coils wound about a horseshoe shaped core will still have an axial centerline that can also define a coil plane parallel to the gap plane. Therefore, a horseshoe shaped core assembly is useful in the present  
10 invention as long as it is adaptable to the planar geometric relationships disclosed herein that provide for a thin read head. Similarly, only one of two cores may be wound with a coil.

Single or dual-track heads constructed according to the methods described herein can be used to construct heads with a "z" dimension, or thinness of  
15 approximately 0.049 in a preferred embodiment while the thinness of an alternative embodiment is 0.020.

A useful means of comparing the prior art with the present invention is to consider dimensional aspect ratios. The thinness aspect ratios of particular interest are those of the "z" dimension divided by either the "x" or "y" dimensions of the head,  
20 in other words, the  $z/x$  and  $z/y$  thinness aspect ratios. For thin read heads, having a small aspect ratio is preferable since that implies the thinness of the head in the "z" dimension is small thus making such a head more suitable for use in compact electronic devices. A preferred embodiment has an aspect ratio of approximately 0.073, while an alternative embodiment has an aspect ratio of 0.03. Whereas, the  
25 smallest aspect ratio known in the prior art is approximately 1.15.

We claim:

1. A coil-type magnetic medium read head having at least one core, the core substantially defining a core plane, and a Z thinness dimension perpendicular to the core plane, wherein the Z thinness dimension is between .26 inches and .020 inches.
- 5 2. The read head of claim 1 wherein the Z thinness dimension is between 0.10 inches and .020 inches.
3. The read head of claim 1 wherein the Z thinness dimension is approximately .049 inches.
4. The read head of claim 1 wherein the Z thinness dimension is approximately .020 inches.
- 10 5. A coil-type magnetic medium read head having at least one coil, the coil substantially defining a coil plane, and a Z thinness dimension perpendicular to the coil plane, wherein the Z thinness dimension is between .26 inches and .020 inches.
6. The read head of claim 5 wherein the Z thinness dimension is between 0.10 inches and .020 inches.
- 15 7. The read head of claim 5 wherein the Z thinness dimension is approximately .049 inches.
8. The read head of claim 5 wherein the Z thinness dimension is approximately .020 inches.
- 20 9. A thin coil-type magnetic medium read head for reading a magnetically coded medium having an X dimension parallel to a gap plane, a Y dimension parallel to the gap plane and perpendicular to the X dimension, and a Z dimension perpendicular to the gap plane and the X and Y dimensions, wherein the thinness aspect ratio of Z/X is less than 1/1 and the thinness aspect ratio of Z/Y is less than 1/1.
- 25 10. The head of claim 9 wherein either the Z/X or the Z/Y thinness aspect ratio is less than 1/5.
11. The head of claim 9 wherein either the Z/X or the Z/Y thinness aspect ratio is less than 1/12.
12. The head of claim 9 wherein either the Z/X or the Z/Y thinness aspect ratio is less than 1/30.
- 30 13. A thin coil-type magnetic medium read head wherein a gap plane is substantially parallel to a coil plane.
14. A thin coil-type magnetic medium read head wherein a gap plane is substantially parallel to a core plane.

15. A process for making a thin magnetic medium read head, the head having at least one coil therein, the coil defining a coil plane, comprising:

(a) loading a slot in a left bracket with a left core assembly and a slot in a right bracket with a right core assembly;

(b) bonding the left core assembly and the right core assembly to its respective bracket with a bonding agent;

(c) machining on the left bracket a left bonding surface proximate the slot therein, and on the right bracket a right bonding surface proximate the slot therein, whereby an edge of each core assembly in its respective slot is flush with its respective bonding surface;

(d) positioning the left and right brackets with a foil placed between each bonding surface, and the left and right brackets being positioned such that the left core assembly is substantially co-planar with the right core assembly;

(e) bonding the bonding surfaces and foil together with a bonding agent to create a unitized structure with sufficient pressure that the foil forms a gap between the left core assembly and the right core assembly substantially equal to the thickness of the foil; and

(f) machining a side of the unitized structure substantially parallel to a coil plane whereby a portion of the core assembly is exposed thus exposing the gap.

16. A process for making a plurality of thin magnetic medium read heads, each head having at least one coil therein, the coil defining a coil plane, comprising:

(a) loading each of a plurality of slots in a left bracket with a left dual core assembly, and a plurality of slots in a right bracket with a right dual core assembly;

(b) bonding the left dual core assemblies and the right dual core assemblies to their respective brackets with a bonding agent;

(c) machining on the left bracket a left bonding surface proximate the slots therein, and on the right bracket a right bonding surface proximate the slots therein, whereby an edge of each left and right dual core assembly in its respective slot is flush with its respective bonding surface;

(d) positioning the left and right brackets with a foil placed between each bonding surface, and the left and right brackets being positioned such that each left dual core assembly is substantially co-planar with a corresponding right dual core assembly;

(e) bonding the left and right bonding surfaces and foil together with a bonding agent to create a unitized structure with sufficient pressure that the foil forms

a plurality of gaps, each gap between the left dual core assembly and the right dual core assembly being substantially equal to the thickness of the foil;

(f) dividing the unitized structure into individual heads;

(g) machining a side of each head substantially parallel to a coil plane

5 whereby a portion of the left and right dual core assemblies therein are exposed, thus exposing one or more of the plurality of gaps.

17. A process for making a thin magnetic medium read head, the head having at least one core therein, the core defining a core plane, comprising:

10 (a) loading a slot in a left bracket with a left core assembly and a slot in a right bracket with a right core assembly;

(b) bonding the left core assembly and the right core assembly to its respective bracket with a bonding agent;

15 (c) machining on the left bracket a left bonding surface proximate the slot therein, and on the right bracket a right bonding surface proximate the slot therein, whereby an edge of each core assembly in its respective slot is flush with its respective bonding surface;

(d) positioning the left and right brackets with a foil placed between each bonding surface, and the left and right brackets being positioned such that the left core assembly is substantially co-planar with the right core assembly;

20 (e) bonding the bonding surfaces and foil together with a bonding agent to create a unitized structure with sufficient pressure that the foil forms a gap between the left core assembly and the right core assembly substantially equal to the thickness of the foil; and

25 (f) machining a side of the unitized structure substantially parallel to a core plane whereby a portion of the core assembly is exposed thus exposing the gap.

18. A process for making a plurality of thin magnetic medium read heads, each head having at least one core therein, the core defining a core plane, comprising:

30 (a) loading a plurality of slots in a left bracket with a left dual core assemblies, and a plurality of slots in a right bracket with a right dual core assemblies;

(b) bonding the left dual core assemblies and the right dual core assemblies to their respective bracket with a bonding agent;

35 (c) machining on the left bracket a left bonding surface proximate the slots therein, and on the right bracket a right bonding surface proximate the slots

therein, whereby an edge of each left and right dual core assembly in its respective slot is flush with its respective bonding surface;

(d) positioning the left and right brackets with a foil placed between each bonding surface, and the left and right brackets being positioned such that each left dual core assembly is substantially co-planar with the corresponding right dual core assembly;

(e) bonding the left and right bonding surfaces and foil together with a bonding agent to create a unitized structure with sufficient pressure that the foil forms a plurality of gaps, each gap between the left dual core assembly and the right dual core assembly being substantially equal to the thickness of the foil;

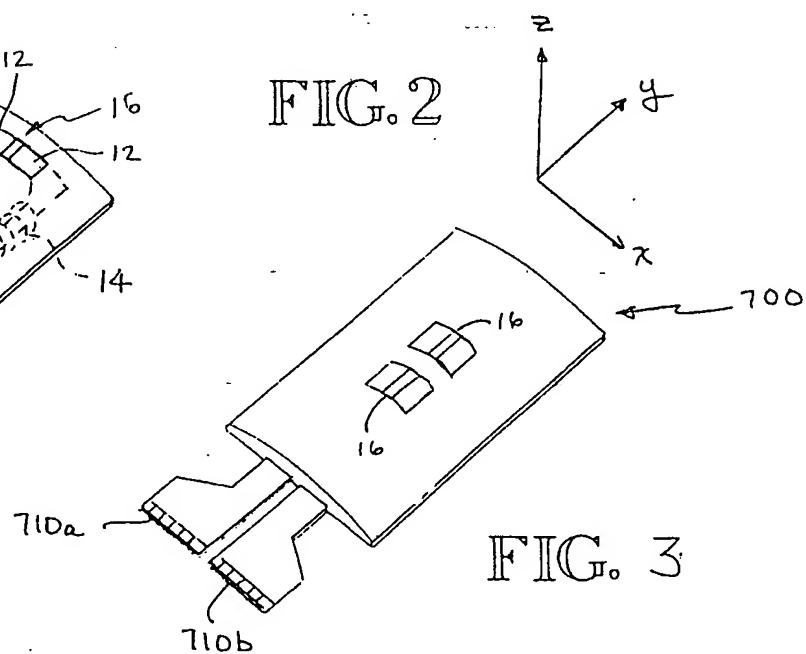
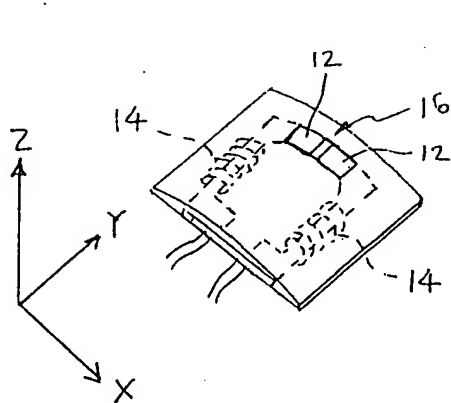
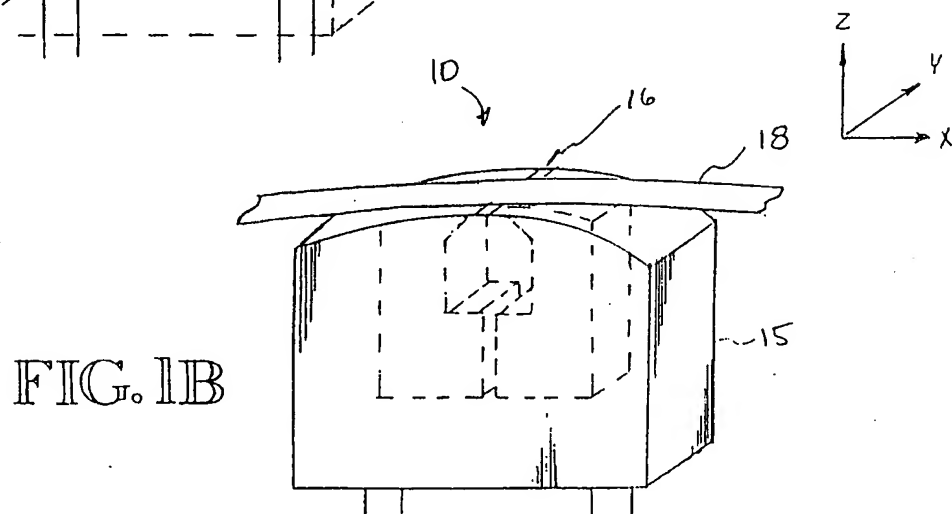
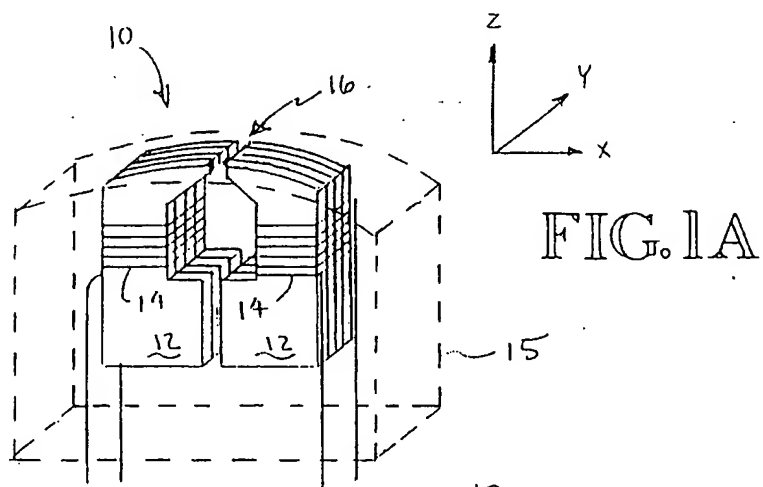
(f) dividing the unitized structure into individual heads;

(g) machining a side of the unitized structure parallel to a core plane whereby a portion of the left and right dual core assemblies therein are exposed, thus exposing one or more of the plurality of gaps.

19. A thin magnetic medium read head manufactured by a process comprising the steps in claim 15.

20. A thin magnetic medium read head manufactured by a process comprising the steps in claim 16.





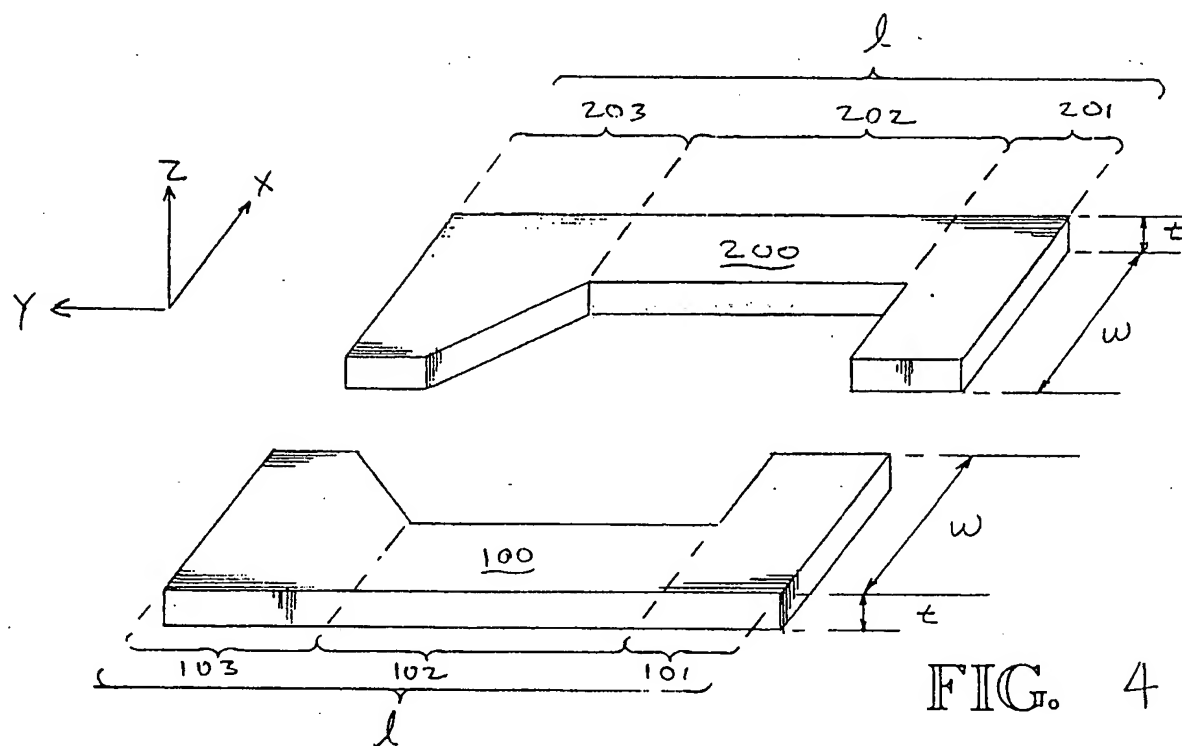


FIG. 4

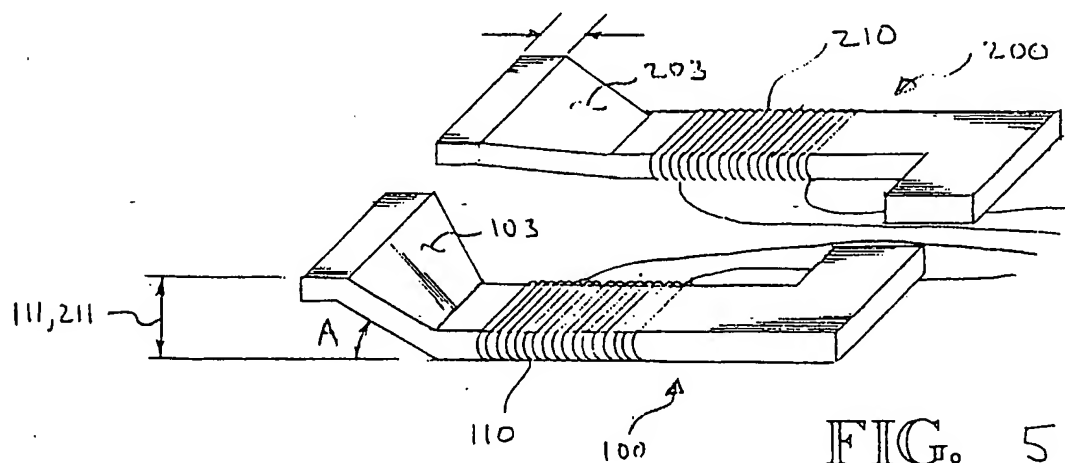


FIG. 5

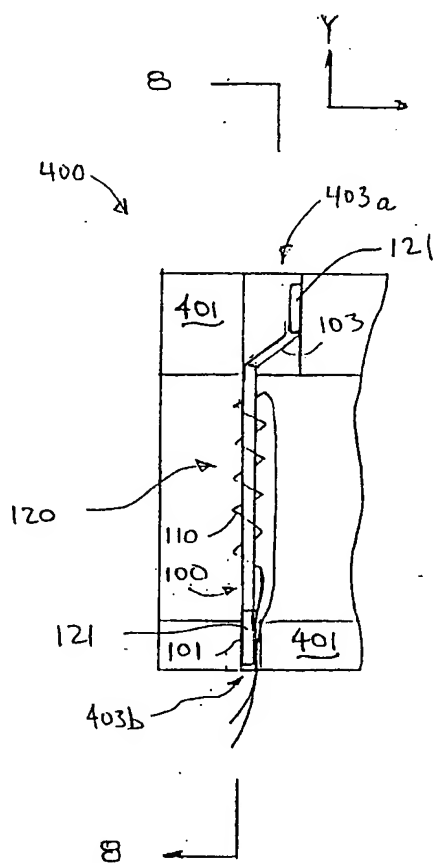


FIG. 7

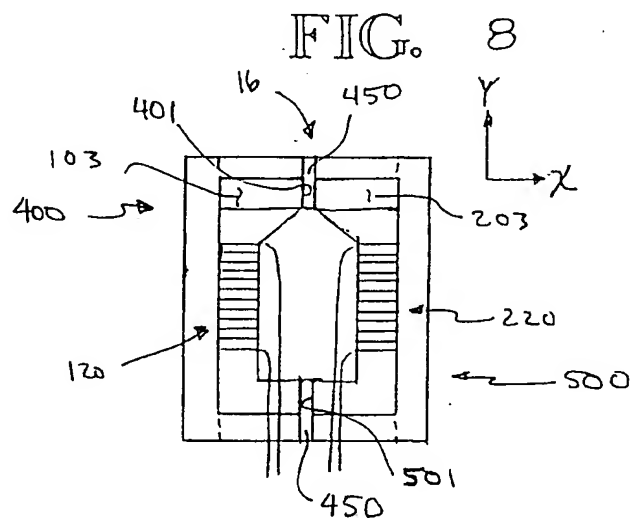


FIG. 8

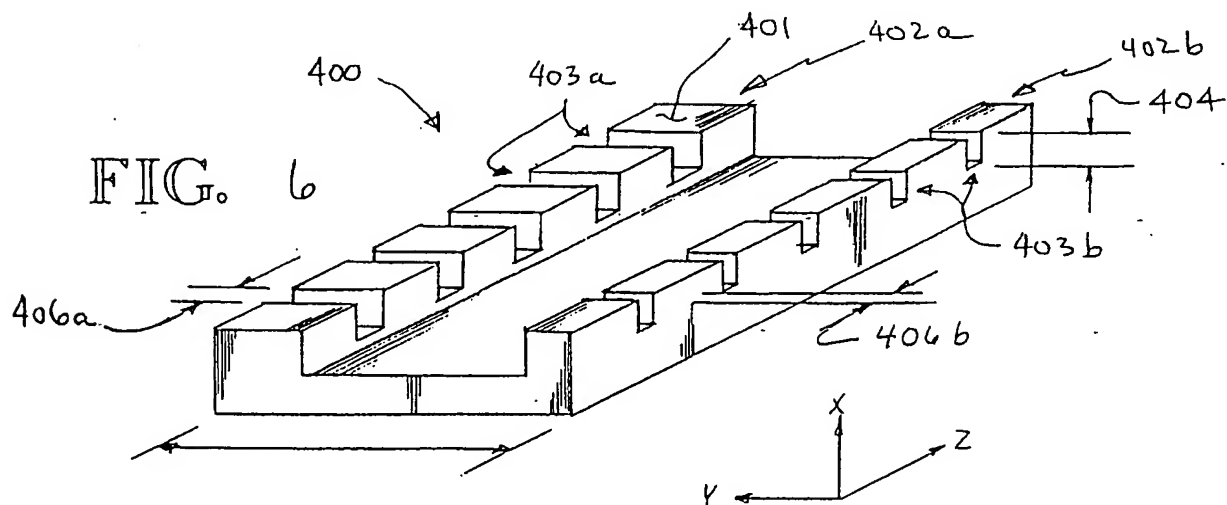


FIG. 6

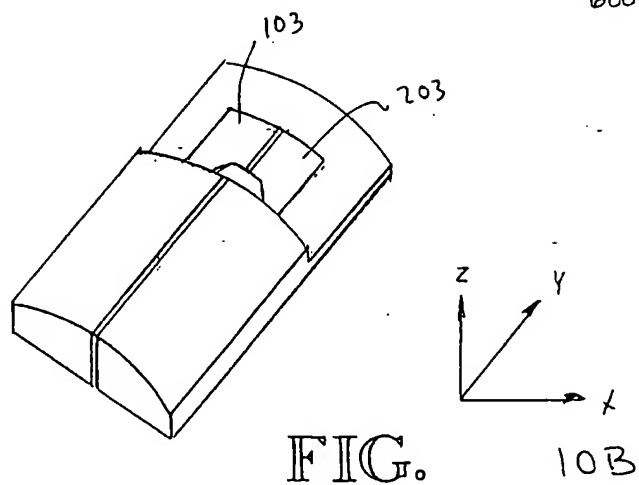
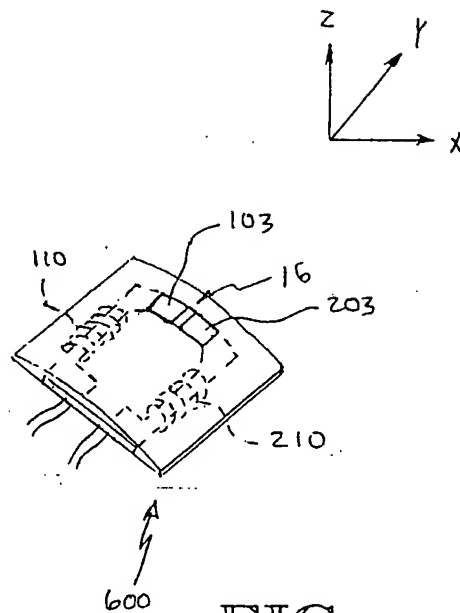
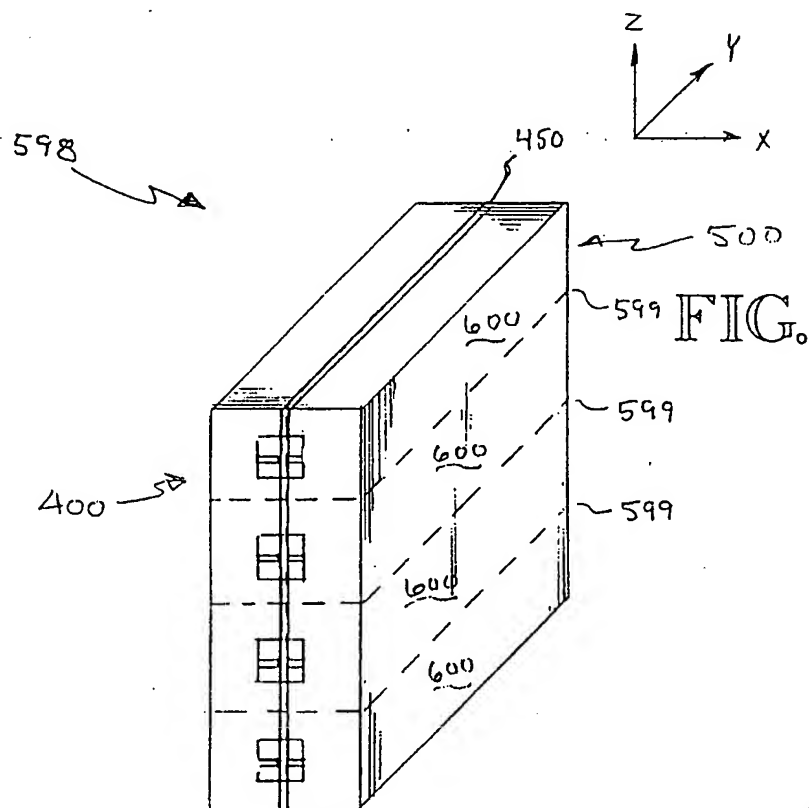


FIG. 11

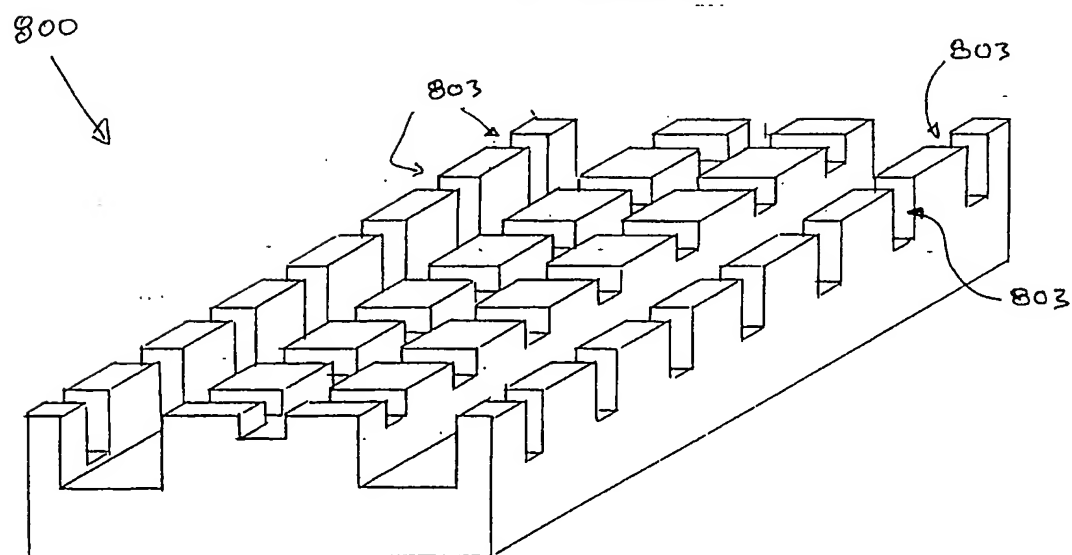


FIG.12

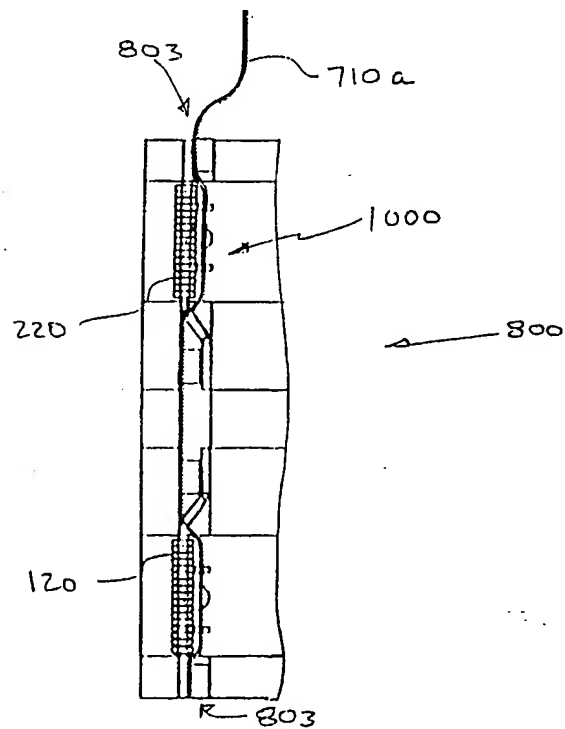
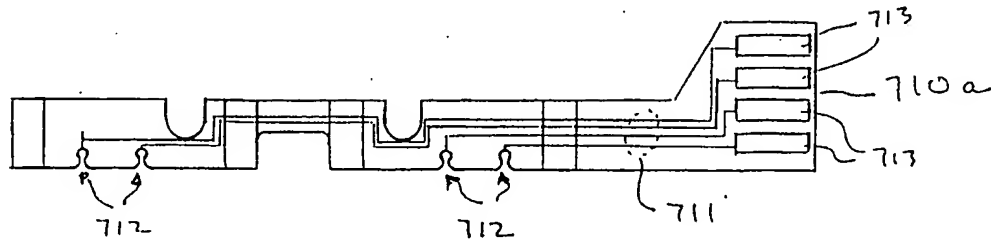


FIG.13A

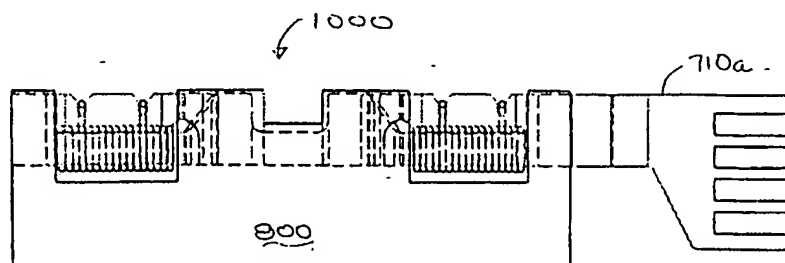
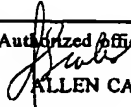


FIG.13B

## INTERNATIONAL SEARCH REPORT

International application No.  
PCT/US00/14449

<b>A. CLASSIFICATION OF SUBJECT MATTER</b> IPC(7) :G11B 5/147 US CL :360/126, 121, 122, 125, 119 According to International Patent Classification (IPC) or to both national classification and IPC		
<b>B. FIELDS SEARCHED</b> Minimum documentation searched (classification system followed by classification symbols) U.S. : 360/126, 121, 122, 125, 119 Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched NONE Electronic data base consulted during the international search (name of data base and, where practicable, search terms used) NONE		
<b>C. DOCUMENTS CONSIDERED TO BE RELEVANT</b>		
Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
X	US 4,839,763 A (MATSUZAWA) 13 June 1989, figure 1	1-20
X	US 4,816,949 A (YAMADA et al) 28 March 1989, figure 3	1-20
X	US 4,811,146 A (NIWA) 07 March 1989, figures 1 and 3-5	1-20
X	US 4,819,113 A (KUBOTA et al) 04 April 1989, figures 1 and 5	1-20
X,E	US 6,072,669 A (INDECK) 06 June 2000, figures 1, and 4-6	1-20
<input type="checkbox"/> Further documents are listed in the continuation of Box C. <input type="checkbox"/> See patent family annex.		
* Special categories of cited documents: *A* document defining the general state of the art which is not considered to be of particular relevance *B* earlier document published on or after the international filing date *L* document which may throw doubts on priority claim(s) or which is cited to establish the publication date of another citation or other special reason (as specified) *O* document referring to an oral disclosure, use, exhibition or other means *P* document published prior to the international filing date but later than the priority date claimed *T* later document published after the international filing date or priority date and not in conflict with the application but cited to understand the principle or theory underlying the invention *X* document of particular relevance; the claimed invention cannot be considered novel or cannot be considered to involve an inventive step when the document is taken alone *Y* document of particular relevance; the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art *Z* document member of the same patent family		
Date of the actual completion of the international search 13 AUGUST 2000		Date of mailing of the international search report 18 SEP 2000
Name and mailing address of the ISA/US Commissioner of Patents and Trademarks Box PCT Washington, D.C. 20231 Facsimile No. (703) 305-3230		Authorized officer  ALLEN CAO Telephone No. (703) 305-3796

10/568097

1AP5 Rec'd PCT/PTO 10 FEB 2006

Hon. Karen A. Overstreet  
Chapter 7  
Hearing: April 22, 2005  
9:30 a.m.

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7  
8 UNITED STATES BANKRUPTCY COURT  
9 WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

10 In re

No. 01-19563

11 UTM SYSTEMS CORPORATION,

12 Debtor.

MOTION OF GRAYBEAL JACKSON &  
HALEY LLP FOR RELIEF FROM STAY

13  
14 COMES NOW Graybeal Jackson & Haley LLP ("GJH"), a secured creditor of the debtor, and  
15 moves for relief as follows:

16 INTRODUCTION

17 1. GJH's Lien. GJH holds a claim against the estate for legal services provided to UTM  
18 Systems Corporation ("UTM"). GJH's claim is secured by a first position security interest in the  
19 debtor's patent applications and trademark applications, which security interest was perfected by the  
20 filing of a UCC-1 Financing Statement with the Department of Licensing in Olympia, Washington on  
21 May 9, 2001.

22 2. Amount of GJH's Claim. GJH filed its proof of secured claim on February 28, 2002,  
23 a copy of which is attached hereto as Exhibit A. The amount of its claim as of the date of the order for  
24 relief herein on November 27, 2001 was \$85,795.13. Interest on this amount accrues at the legal rate  
25 of 12 percent per annum

26 3. Background of Case. This case was commenced by the filing of an involuntary Chapter  
27 7 petition against UTM on August 27, 2001. An Order for Relief and an agreed Order Converting the  
28 case to a case under Chapter 11 were entered on November 27, 2001. Subsequently, the case was

MOTION OF GRAYBEAL JACKSON & HALEY LLP  
FOR RELIEF FROM STAY - 1

LAW OFFICE OF JOHN J. MITCHELL  
811 First Ave., Suite 620  
Seattle, WA 98104  
(206) 903-8555



1 converted to a Chapter 7 on October 18, 2002, and Daniel E. Forsch was appointed Trustee.

2 4. Trustee Has Been Unable To Liquidate GJH's Collateral. In November 2002, the  
3 Trustee sold UTM's equipment and furnishings at its business premises. The only remaining assets  
4 in the estate are the debtor's intellectual property, which includes the patent and trademark applications  
5 that constitute UTM's collateral and certain software and test boards. The Trustee has been unable to  
6 date to sell the intellectual property.

7 RELIEF REQUESTED

8 5. By this motion GJH seeks relief from the automatic stay to permit it to realize upon its  
9 collateral and to pursue available remedies under the laws of the State of Washington.

10 BASIS FOR RELIEF

11 6. GJH Is Entitled To Relief From Stay.

12 a. GJH Is Entitled To Relief From Stay For Cause. Section 362(d)(1) of the  
13 Bankruptcy Code provides that the stay shall be lifted for "cause." "Cause" has no clear definition and  
14 is determined on a case-by-case basis. *In re MacDonald*, 755 F.2d 715, 717 (9<sup>th</sup> Cir. 1985). GJH has  
15 been precluded from realizing on its collateral since August 2001. GJH has not received payment for  
16 its services that were provided in 2001. The Trustee continues in possession of GJH's collateral and  
17 has been unable to find a buyer for the collateral since his appointment two and one-half years ago.  
18 Under the circumstances of this case, cause exists for relief from stay.

19 b. WSB Is Entitled To Relief From Stay under Section 362(d)(2). Section  
20 362(d)(2) provides a second ground for relief from stay. Section 362(d)(2) provides that the Court shall  
21 lift the stay if:

22 (A) the Debtor does not have an equity in such property; and

23 (B) such property is not necessary to an effective reorganization.

24 The Trustee has been unable to locate an interested buyer for GJH's collateral at any price, which is  
25 evidence that the debtor's patent applications, which were abandoned under federal patent law in 2002,  
26 and trademark applications have little if any value, certainly nowhere near the amount of GJH's claim.  
27 Since this case is now a Chapter 7 case, Section 362(d)(B) has no application. Thus, given the lack of  
28 any apparent value whatsoever in the patent and trademark applications, GJH is entitled to relief from

1 stay under Section 362(d)(2).

2 CONCLUSION

3 The Trustee has advised the undersigned that he will not resist this request for relief from stay.  
4 There is no reason, therefore, to deny GJH an opportunity to realize on its collateral. An order should  
5 be entered in the form attached hereto as Exhibit B granting GJH relief from stay.

6 DATED this 23rd day of March, 2005.

7 /s/ John J. Mitchell  
8 WSBA No. 12757  
9 Attorney for Graybeal Jackson Haley LLP  
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## United States Bankruptcy Court

Case Number 01-12500

Name of Debtor UTM Systems Corporation

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503

Name of Creditor (The person or other entity to whom the debtor owes money or property)

Graybeal Jackson Haley LLP

Name and Address Where Notices Should be Sent

155 - 108th Ave. NE Suite 350  
Bellevue, WA 98004-5793

Telephone No. 425 455 5575

Account or other number by which creditor identifies debtor:  
1624☐ Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.☐ Check box if you have never received any notices from the bankruptcy court in this case.☐ Check box if the address differs from the address on the envelope sent to you by the court.

This space for court use only

## 1. BASIS FOR CLAIM

- ☐ Goods sold ☒ Services performed  
☐ Money loaned ☐ Personal injury/wrongful death  
☐ Taxes ☐ Other \_\_\_\_\_

☐ Retiree benefits as defined in 11 U.S.C. § 1114(a)☐ Wages, salaries, and compensation (Fill out below)

Your social security number \_\_\_\_\_

Unpaid compensation for services performed  
from \_\_\_\_\_ to \_\_\_\_\_

2. DATE DEBT WAS INCURRED: 4/1/00 - 11/26/01

3. IF COURT JUDGMENT, DATE OBTAINED

4. Total Amount of Claim at Time Case Filed: \$ 85,795.13

If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below.

☒ Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.

## 5. Secured claim.

☒ Check this box if your claim is secured by collateral (including a right of setoff).

Brief Description of Collateral:

- ☐ Real Estate  
☐ Motor Vehicle  
☒ Other Patent Applications and Trademarks

Value of collateral: \$ 100,000+

Amount of arrearage and other charges at time case filed included in secured claim above, if any \$ 80,752.49

## 6. Unsecured Priority Claim

☐ Check this box if you have an unsecured priority claim

Amount entitled to priority \$ \_\_\_\_\_

Specify the priority of the claim:

- ☐ Claim arose on or after August 27, 2001 and before November 27, 2001 - 11 U.S.C. § 507(a)(2)  
☐ Wages, salaries, or commissions (up to \$4650)\* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3)  
☐ Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4)  
☐ Up to \$2,100\* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6)  
☐ Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7)  
☐ Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8)  
☐ Other—Specify applicable paragraph of 11 U.S.C. § 507(a) \_\_\_\_\_

\*Amounts are subject to adjustment on 4/1/04 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

7. CREDITS: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.

8. SUPPORTING DOCUMENTS: Attach copies of supporting documents such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.

9. DATE-STAMPED COPY: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of the proof of claim.

Mail claim To:

U.S. Bankruptcy Court  
1200 6<sup>th</sup> Ave. #315  
Seattle, WA 98101

Date:

2/27/02

Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any)

Jeffrey T. Haley

This Space Is for Court Use Only

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§152 and 357; WAW-253.cs (4/1/01)

cc: Joel Green, Tax Attorneys, Inc. w/enclosures

THIS SPACE FOR USE OF FILING OFFICER

2001-129-0174

# FINANCING STATEMENT — FOLLOW INSTRUCTIONS CAREFULLY

This Financing Statement is presented for filing pursuant to the Uniform Commercial Code and will remain effective, with certain exceptions, for 5 years from date of filing.

A. NAME & TEL. # OF CONTACT AT FILER (optional) <b>Jeffrey T. Haley</b>	B. FILING OFFICE ACCT. # (optional)
C. RETURN COPY TO: (Name and Mailing Address)  <b>Jeffrey T. Haley Graybeal Jackson Haley LLP 155 - 108th Ave NE Suite 350 Bellevue, WA 98004-5901 425-455-5575</b>	
D. OPTIONAL DESIGNATION (if applicable): LESSOR/LESSEE CONSIGNOR/CONSIGNEE NON-UCC FILING	

DEPARTMENT OF LIC.  
MAY 19 2001  
FILED 3:00 AM

1. DEBTOR'S EXACT FULL LEGAL NAME - Insert only one debtor name (1a or 1b)

1a. ENTITY'S NAME <b>UTM Systems Corp</b>	1b. INDIVIDUAL'S LAST NAME			FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS <b>40 Lake Bellevue Drive #350</b>				CITY <b>Bellevue</b>	STATE <b>WA</b>	COUNTRY <b>US</b>
1d. S.S. OR TAX I.D.#	OPTIONAL ADDNL INFO RE ENTITY DEBTOR	1e. TYPE OF ENTITY <b>Corporation</b>	1f. ENTITY'S STATE OR COUNTRY OF ORGANIZATION <b>WA</b>	1g. ENTITY'S ORGANIZATIONAL I.D.#, if any <input type="checkbox"/> NONE		

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - Insert only one debtor name (2a or 2b)

2a. ENTITY'S NAME	2b. INDIVIDUAL'S LAST NAME			FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS				CITY	STATE	COUNTRY
2d. S.S. OR TAX I.D.#	OPTIONAL ADDNL INFO RE ENTITY DEBTOR	2e. TYPE OF ENTITY	2f. ENTITY'S STATE OR COUNTRY OF ORGANIZATION	2g. ENTITY'S ORGANIZATIONAL I.D.#, if any <input type="checkbox"/> NONE		

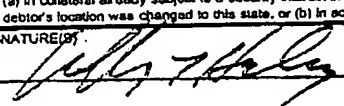
3. SECURED PARTY'S (ORIGINAL S/P or ITS TOTAL ASSIGNEE) EXACT FULL LEGAL NAME - Insert only one secured party name (3a or 3b)

3a. ENTITY'S NAME <b>Graybeal Jackson Haley LLP</b>	3b. INDIVIDUAL'S LAST NAME <b>Haley</b>			FIRST NAME <b>Jeffrey</b>	MIDDLE NAME <b>T.</b>	SUFFIX
3c. MAILING ADDRESS <b>155 - 108th Ave NE #350</b>				CITY <b>Bellevue</b>	STATE <b>WA</b>	COUNTRY <b>US</b>

4. This FINANCING STATEMENT covers the following types or items of property:

All rights to inventions, patent applications and trademark applications described in Status Reports attached and all papers that are evidence thereof.

10 R

5. CHECK <input type="checkbox"/> This FINANCING STATEMENT is signed by the Secured Party (instead of the Debtor to perfect a security interest (a) in collateral already subject to a security interest in another jurisdiction when it was brought into this state, or when the (if applicable) debtor's location was changed to this state, or (b) in accordance with other statutory provisions (additional data may be required)	7. If filed in Florida (check one) <input type="checkbox"/> Documentary - stamp tax paid <input type="checkbox"/> Documentary stamp tax not applicable
6. REQUIRED SIGNATURE(S) 	8. <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS Attach Addendum (if applicable)
9. Check to REQUEST SEARCH CERTIFICATE(S) on Debtor(s) (ADDITIONAL FEE) (optional) <input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2	

Debtor: UTM systems corp

## SECURITY AGREEMENT AND COLLATERAL ASSIGNMENT OF PATENT AND TRADEMARK RIGHTS

This Agreement is entered into as of the 15<sup>th</sup> day of April, 2001 by UTM systems corp, a Washington Corporation ("Debtor") with its chief executive office located at Bellevue, Washington; and Graybeal Jackson Haley, a Limited Liability Partnership ("Secured Party"), with an office located at Bellevue, Washington.

Between January 1, 2000 and April 1, 2001 Secured Party created intellectual property for Debtor in the form of patent applications and trademark applications for which Secured Party is owed \$56,335.35. All such intellectual property is and has been in the care of Secured Party from the date of creation. To secure amounts owed by Debtor for the creation of said property and future amounts accrued up to December 31, 2001, Debtor agrees that Secured Party has a lien on the intellectual property created by Secured Party for Debtor from the date of creation. Terms of said lien are stated in writing as follows.

**1. Definitions.** As used in this Agreement:

"Collateral" means all rights to inventions, patent applications and trademark applications described in the Status Reports attached to this Agreement and all papers that are evidence thereof.

"Default" means any event referred to in section 5 of this Agreement.

"Obligations" means the obligation of Debtor to pay Secured Party for the creation of the Collateral including payment on a certain promissory note dated April 1, 2001.

**2. Security Interest.** As collateral security for the prompt and unconditional payment and performance of the Obligations, Debtor hereby grants, pledges and assigns to Secured party a security interest in all of Debtor's right, title and interest in and to the Collateral.

**3. Representations and Warranties.** Debtor represents and warrants to Secured Party and agrees with Secured Party as follows:

a. Authority. Debtor has the authority to enter into this Agreement.

b. No Violation. The execution, delivery and performance of this Agreement does not violate the terms of any other agreement, document or instrument to which Debtor is a party.

**4. Debtor's Covenants.** Debtor further covenants and agrees with Secured Party as follows:

a. Pending Applications. Debtor shall prosecute diligently the applications for patents and trademarks pending as of the date of this Agreement, and unless specifically advised by counsel that to do so is unnecessary or inadvisable, shall do any and all acts which are necessary or desirable to preserve, maintain and enforce all rights in the Collateral.

b. Limitations on Disposition. Debtor shall not sell, license, transfer or otherwise dispose of or grant any rights to any of the Collateral except in the ordinary course of business. or attempt or contract to do so, without the prior written consent of Secured Party.

Debtor: UTM systems corp

c. Limitation on Liens; Defense of Collateral. Debtor shall not create, permit or suffer to exist, and shall defend the Collateral against and take such other action as is necessary to remove, any lien on the Collateral, except the liens granted to Secured Party under this Agreement. Debtor shall further defend the right, title and interest of the Secured Party in and to Debtor's rights to the Collateral against the claims and demands of all persons other than the Secured Party. In the event that any Collateral is infringed or misappropriated by a third party, Debtor shall notify Secured Party promptly after Debtor learns thereof and shall, unless such Collateral is not material to the conduct of Debtor's business, promptly sue for infringement or misappropriation and to recover any and all damages for such infringement or misappropriation and take such other actions as are appropriate under the circumstances to protect such Collateral.

d. Performance. Debtor shall pay and perform all the Obligations according to their terms.

e. Expenditures by Secured Party. Debtor will reimburse Secured Party upon demand for any expenditures by Secured Party for the maintenance, protection and preservation of the Collateral, and for the collection, repossession, holding, preparation and sale or other disposition of or realization upon the Collateral. In no event shall Secured Party have any obligation to make such expenditures nor any liability for failing to make them.

f. Governmental Charges. Debtor shall pay before delinquency all taxes, assessments and other governmental charges which are or may become a lien on any of the Collateral.

5. Defaults. Each of the following shall be a default ("Default") under this Agreement:

- a. Any default or event of default on any of the Obligations, whether or not the Obligations have been accelerated; or
- b. Breach of any representation or warranty contained in this Agreement; or
- c. Any failure fully and timely to comply with any provision of this Agreement or of any other document, instrument or agreement between Debtor and Secured Party; or
- d. Any levy, attachment or execution on, or seizure of, any of the Collateral;
- e. Dissolution, death, termination of existence, insolvency or bankruptcy of Debtor or appointment of a receiver to take possession of any of the Collateral.

6. Rights and Remedies of Secured Party.

a. General. In addition to the rights and remedies granted to Secured Party in this Agreement, Secured Party shall at all times have the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the state of Washington and under all other applicable laws.

b. Remedies. After the occurrence, and during the continuance, of a Default, Secured party may take any one or more of the following actions in its sole discretion:

- (i) Declare all or any part of the Obligations due and payable, without presentment, demand, protest or other notice of any kind, all of which are expressly waived.

Debtor: UTM systems corp

(ii) Require the Debtor to assemble the Collateral, and make it available to Secured party at Debtor's premises or at any other location selected by Secured Party, where it will remain at Debtor's expense pending sale or other disposition. Debtor acknowledges and agrees that any failure by it to assemble the Collateral and make it available to Secured party will constitute a threat of imminent and irreparable harm to Secured party which will entitle Secured party to a court order or injunction: (A) appointing a receiver to take possession of the Collateral and sell or otherwise realize upon the Collateral and apply the proceeds to the Obligations; and/or (B) directing Debtor to assemble the Collateral and make it available to Secured party as required by this Security Agreement. Debtor expressly waives any right to require Secured Party to post a bond or other security or financial undertaking as a condition to obtaining any such order or injunction.

(iii) Sell, license, or otherwise dispose of the Collateral. If notice of sale or disposition of Collateral is required, ten (10) calendar days notice of any intended sale or other disposition of the Collateral shall be deemed to be reasonable. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of Debtor, and Debtor hereby waives (to the extent permitted by applicable law) all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. Secured Party shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. Secured Party may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(iv) Indorse any assignment or other instrument or document with respect to the Collateral, as the attorney-in-fact for Debtor with full power of substitution.

(v) Accept and receive payment of, receipt for or defend, settle, compromise or adjust any claim, suit, action or proceeding with respect to the Collateral. In doing so, any determination made by Secured Party as to the risks of litigation and collectibility shall be deemed to be commercially reasonable unless made in bad faith.

c. Proceeds. The proceeds of sales, licenses, collections or other dispositions of the Collateral shall not be credited to the Obligations unless and until actually received in cash by Secured Party. Secured Party may credit such proceeds against the Obligations in such order as it elects in its sole discretion.

d. Deficiency. Debtor shall pay any deficiency remaining after application of the net proceeds of the Collateral to the Obligations.

e. Retention. Under no circumstances shall Secured Party be deemed to have elected to retain possession of all or any part of the Collateral in satisfaction of the Obligations unless Secured Party has given Debtor written notice of a proposal to do so pursuant to Revised Code of Washington 62A.9-505(2), regardless of the length of time the Collateral remains in Secured Party's possession after a Default. Under no circumstances shall Secured Party have any liability as a result of a decline in the market value of the Collateral while Secured Party holds it.

7. Power of Attorney. Debtor hereby appoints Secured Party, or any person or entity whom Secured Party may from time to time designate, as Debtor's attorney-in-fact with power, at any time after the occurrence of a Default: (a) to endorse Debtor's name on all applications,

Debtor: UTM systems corp

documents, papers and instruments necessary or appropriate for Secured Party to use, protect, register, patent, sell, license, assign, convey or otherwise transfer or dispose of any of the Collateral; (b) to notify the patent office authorities to change the address for delivery of Debtor's mail to an address designated by Secured Party; (c) to receive and to open and sort mail addressed to Debtor relating to the Collateral; (d) to do all other things which Secured party is permitted to do under this Agreement or which are necessary or appropriate to carry out this Agreement or other agreements between Debtor and Secured Party. Neither Secured Party nor any of its directors, officers, employees or agents will be liable for any acts of commission or omission or for any error in judgment or mistake of fact or law, unless the same shall have resulted from recklessness or willful misconduct. This power, being coupled with an interest, is irrevocable so long as this Agreement remains in effect. Debtor shall, from time to time, execute and deliver to Secured Party such additional documents as Secured Party may reasonably request to confirm the existence of the power of attorney granted herein and to provide additional originals thereof.

8. Revival of Security Interest. To the extent Debtor makes a payment to Secured Party or Secured Party receives any payment of proceeds of Collateral, which is later invalidated, declared to be a fraudulent transfer or preference, set aside or required to be repaid under any bankruptcy law, other law or equitable principle, Secured Party's interest in the Collateral shall be revived and continue as if the payment or proceeds had never been received by Secured Party.

9. Miscellaneous.

a. Financing Statements, Etc. Debtor will sign any financing statements, amendments, assignments, registrations or filings with governmental offices or agencies, and other documents necessary or appropriate to fully perfect Secured Party's security interests in the Collateral throughout the world. Debtor shall pay the cost of so perfecting such security interests. Secured Party is nevertheless authorized to file such documents without the Debtor's signature and Debtor hereby grants to Secured Party a power of attorney to execute any such documents as Debtor's attorney-in-fact. Such power of attorney is coupled with an interest and shall be irrevocable so long as this Agreement remains in effect.

b. Amendment. This Agreement and the other written documents, instruments and agreements entered into in connection with the loan and the Obligations contain the complete and final expression of the entire agreement of the parties. No provision of this Agreement may be amended, modified, waived or supplemented, except by a writing signed by the party sought to be charged with the amendment, modification, waiver or supplementation. No waiver by Secured party of any Default shall be a waiver of any other Default.

c. Remedies Cumulative. All rights and remedies of Secured Party shall be cumulative and may be exercised at such times and in such order as Secured Party determines, and no delay or omission in exercising any right or remedy shall be a waiver of it.

d. Effectiveness. This Agreement shall remain in full force and effect until (i) all of the Obligations shall have been indefeasibly paid in full in cash, and (ii) this Agreement shall have been terminated in writing by Secured Party.

e. Limitation of Consequential Damages. Secured party shall not be responsible for any lost profits of Debtor arising from any breach of contract, tort (excluding the Secured Party's recklessness or willful misconduct), or any other wrong arising from the establishment, administration or collection of the Obligations or the security interests granted in this Agreement.



Debtor: UTM systems corp

f. Legal Expenses. Debtor shall pay any and all fees, costs and expenses (including but not limited to fees of attorneys, accountants, experts, court reporters and others) incurred by Secured Party in the collection or enforcement of any of the Obligations (whether from or against the Debtor or any other person or entity liable therefor) and the perfection, preservation, protection and enforcement of its rights and remedies under this Agreement and its security interest in the Collateral, whether incurred before or after judgment, with or without suit, on appeal, in bankruptcy or other insolvency proceedings, or otherwise. Debtor shall pay all such fees, costs and expenses incurred by Secured Party in any bankruptcy case regardless of whether they are incurred in connection with issues of state law, bankruptcy law or otherwise. All amounts payable to Secured Party under this paragraph shall be payable upon demand and shall bear interest at 12% per annum.

g. Notices. Any notice under this Agreement shall be in writing.

h. Governing Law. This Security Agreement shall be governed by, and construed in accordance with the laws of the state of Washington without giving effect to their principles or provisions regarding conflicts of laws or choice of law.

i. No Obligation. This Security Agreement does not create a binding obligation by Secured Party to extend credit to Debtor at any time.

j. Counterparts. This Agreement may be executed in any number of counterparts and by each party on a separate counterpart, each of which when so executed and delivered shall be deemed an original and all of which taken together shall constitute but one and the same instrument.

h. Advice of Counsel. Debtor has sought and received advice of independent counsel before entering this Agreement.

IN WITNESS WHEREOF the parties have duly executed and delivered this Agreement as of the date first written above.

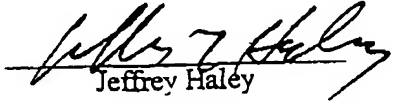
DEBTOR: UTM systems corp

SECURED PARTY:  
Graybeal Jackson Hailey LLP

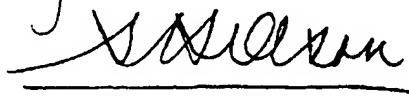
By

  
Robert Lee President

By

  
Jeffrey Hailey

Witnessed by:

  
STEPHEN H. OLSON

10/568097

Entered on Docket Apr. 29, 2005

Hon. Karen A. Overstreet  
Chapter 7  
Hearing: April 22, 2005  
9:30 a.m.

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

In re

UTM SYSTEMS CORPORATION,

Debtor.

No. 01-19563

ORDER GRANTING GRAYBEAL  
JACKSON & HALEY LLP RELIEF  
FROM STAY

THIS MATTER having come before the Court on the motion of Graybeal Jackson & Haley LLP and the Court finding that notice and opportunity for a hearing were adequate under the circumstances, that no objection to the relief requested was filed by the response date, and good cause otherwise being shown, now, therefore, it is hereby

ORDERED as follows:

1. That the motion of Graybeal Jackson & Haley LLP for relief from stay be, and the same is hereby, granted.

2. That the automatic stay of 11 U.S.C. § 362(a) be, and the same is hereby, lifted to permit Graybeal Jackson & Haley LLP to pursue available remedies under nonbankruptcy law to realize upon the intellectual property listed on Exhibit A attached hereto.

3. That Graybeal Jackson & Haley LLP be, and the same is hereby, authorized to take any other action permitted under its security agreement which is not prohibited under nonbankruptcy law.

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ORDER GRANTING GRAYBEAL JACKSON &  
HALEY LLP RELIEF FROM STAY - 1

LAW OFFICE OF JOHN J. MITCHELL  
811 First Ave., Suite 620  
Seattle, WA 98104  
(206) 903-8555

4. That the relief from stay granted herein be, and it is hereby, effective immediately upon the entry of this order, notwithstanding the provisions of Fed. R. Bankr. P. 4001(a)(3).

DATED the \_\_\_\_\_ day of April, 2005.

*Karen A. Overstreet*  
KAREN A. OVERSTREET  
United States Bankruptcy Judge

**Presented by:**

/s/ John J. Mitchell  
WSBA No. 12757  
Attorney for Graybeal Jackson Haley LLP

**Status of UTM Systems Corporation Patent Applications**  
April 1, 2001

1624-1-2	U.S. APPL. NO.: 09/322,670	DATE FILED: May 28, 1999
1624-2	U. S. APPL. NO.: 09/322,669	DATE FILED: May 28, 1999.
1624-3-3	U. S. APPL. NO.: 09/560,842	DATE FILED: April 28, 2000
1624-3-4	PCT/US00/14449	DATE FILED: May 25, 2000
1624-3-5	Taiwan Appl. No. 89110220	DATE FILED: June 14, 2000.
1624-4-4	U. S. APPL. NO.: 09/580,321	DATE FILED: May 26, 2000
1624-4-PCT	PCT Application to be filed.	
1624-16-1	PCT/US00/14592	DATE FILED: May 26, 2000
1624-16-2	(US) waiting to file application based on pending PCT application.	
1624-17-1	PCT/US00/14591	DATE FILED: May 26, 2000
1624-17-2	(US) waiting to file application based on pending PCT application.	

# TRADEMARK STATUS REPORT

UTM Systems Corporation  
(Client No. 1624)

Country/ State *	Mark	Application No.	Application Date	Registration No.	Registration Date	Next Deadline	Action Required	Docket	Status/Other
China	UNIVERSAL TELLER MACHINE	9900145056	1999/12/02					1624-9-4	ABANDONED
China	UTM		1999/12/02					1624-7-4	PENDING
China	UTM SYSTEMS <sup>1</sup>	9900145055	1999/12/02				Check status	1624-8-4	PENDING 7/5/00: response filed
European Union (CTM)	UNIVERSAL TELLER MACHINE	1367358				2000/12/05	Check status	1624-9-6	PENDING 6/5/00: published
European Union (CTM)	UTM	1367572	1999/11/02	1367572	1999/11/02	2004/11/02	Use due	1624-7-6	REGISTERED 11/2/2009: renewal
European Union (CTM)	UTM SYSTEMS	1367226				2000/12/05	Check status	1624-8-6	PENDING 6/5/00: published
Hong Kong	UNIVERSAL TELLER MACHINE	99/16148	1999/11/08					1624-9-3	ABANDONED
Hong Kong	UTM	99/16146	1999/11/08			2001/01/10	Check status	1624-7-3	PENDING
Hong Kong	UTM SYSTEMS	99/16147	1999/11/08					1624-8-3	ABANDONED

# TRADEMARK STATUS REPORT

UTM Systems Corporation  
(Client No. 1624)

Country/ State *	Mark	Application No.	Application Date	Registration No.	Registration Date	Next Deadline	Action Required	Docket	Status/Other
Japan	UNIVERSAL TELLER MACHINE <sup>ii</sup>	11-98904	1999/11/01					1624-9-2	ABANDONED
Japan	UTM <sup>iii</sup>	11-98902	1999/11/01			2001/05/11	Check status	1624-7-2	PENDING 11/8/00: response filed
Japan	UTM SYSTEMS <sup>iv</sup>	11-98903	1999/11/01					1624-8-2	ABANDONED
Mexico	UNIVERSAL TELLER MACHINE <sup>v</sup>	397299	1999/11/01	656405	1999/11/01	2009/11/01	Renewal	1624-9-5	REGISTERED
Mexico	UTM <sup>vi</sup>	397298	1999/11/01	656404	1999/11/01	2009/11/01	Renewal	1624-7-5	REGISTERED
Mexico	UTM SYSTEMS <sup>vii</sup>	397297	1999/11/01	656403	1999/11/01	2009/11/01	Renewal	1624-8-5	REGISTERED
Taiwan	UNIVERSAL TELLER MACHINE	88054370	1999/11/01					1624-9-7	ABANDONED
Taiwan	UTM	88054368	1999/11/01					1624-7-7	ABANDONED
Taiwan	UTM SYSTEMS	88054369	1999/11/01					1624-8-7	ABANDONED
United States	SIMPLY MORE SECURE	76/080,559	2000/06/29			2000/12/29	Priority deadline	1624-25-1	PENDING

# TRADEMARK STATUS REPORT

UTM Systems Corporation  
(Client No. 1624)

Country/ State *	Mark	Application No.	Application Date	Registration No.	Registration Date	Next Deadline	Action Required	Docket	Status/Other
United States	UNIVERSAL TELLER MACHINE	75/646,952				2001/09/26	Check status	1624-9-1	ABANDONED 7/4/00: published  Abandoned/check to see if they want to revive in 6 months
United States	UTM <sup>viii</sup>	75/646,241	1999/02/19			2001/07/24	Check status	1624-7-1	PENDING SOU Filed 4/24/01
United States	UTM SYSTEMS	75/646,236				2001/09/26	Check status	1624-8-1	ABANDONED 7/4/00: published  Check to see if they want to revive in 6 months

<sup>i</sup> Electronic devices with embedded authentication and encryption microprocessors for connection to or embedding within computers, telephones and other communication devices  
<sup>ii</sup> Electrical communication machines and instruments; electronic machines and instruments and parts and accessories for these  
<sup>iii</sup> Electrical communication machines and instruments

<sup>iv</sup> Electronic devices with embedded authentication and encryption microprocessors for connection to or embedding within computers, telephones and other communication devices  
<sup>v</sup> Electronic devices with embedded authentication and encryption microprocessors for connection to or embedding within computers, telephones and other communication devices

<sup>vi</sup> Electronic devices with embedded authentication and encryption microprocessors for connection to or embedding within computers, telephones and other communication devices  
<sup>vii</sup> Electronic devices with embedded authentication and encryption microprocessors for connection to or embedding within computers, telephones and other communication devices

<sup>viii</sup> Security and authentication devices, namely integrated circuit chips featuring embedded authentication and encryption logic for incorporation in computers, telephones and other communication devices

## John Janeway

---

**From:** John Janeway [jjaneway@graybeal.com]  
**Sent:** Monday, October 10, 2005 5:10 PM  
**To:** 'JeanOple@aol.com'  
**Subject:** U.S. patent application revival and Declaration for your review and signature

Dear Ms. Ople:

I'm John Janeway, a patent attorney with Graybeal Jackson and Haley LLP (GJH). GJH has recently obtained ownership of a patent application on technology that you helped invent for UTM Systems Corp. GJH has obtained this application from the bankruptcy estate of UTM Systems Corp. and is now reviving it. To complete the revival, we ask you to please sign the Declaration attached below and then fax me the signed Declaration. Or, if you prefer, you can generate an Adobe Acrobat (.pdf) version of the declaration signed by you, and then email me the .pdf version.

The specific patent application (attached below) that we are reviving and that is referenced in the Declaration below is PCT/US00/14449, filed 25 May 2000, titled "THIN MAGNETIC MEDIUM READ HEAD". As you may recall, before UTM Systems entered bankruptcy you assigned UTM Systems Corp. all your rights to the patent application and the technology. And, you previously signed a declaration for the U.S. patent application on this technology that was filed before the PCT application was filed.

If you have any questions, please contact us.

We greatly appreciate your help and prompt consideration in this matter, and look forward to hearing from you shortly.

John M. Janeway  
Associate Attorney  
Graybeal Jackson Haley LLP  
Phone: 425.455.5575  
Fax: 425.455.1046  
email: jjaneway@graybeal.com

Privileged/Confidential Information may be in this message. If you are not the intended addressee, please treat this message as confidential, contact me immediately, discard the message, and do not use or retain its contents. Thank you.



2366-002-03  
claration.doc



PCTUS00144  
3.pdf (852 KB)



**DECLARATION AND POWER OF ATTORNEY  
IN PATENT APPLICATION**

Attorney Docket No.: 2366-002-03

As a below named inventor, I hereby declare:

My residence, post office address and citizenship are as stated below next to my name.

I believe that I am an original, first and joint inventor of the subject matter that is claimed and for which a patent is sought on the invention entitled:

THIN MAGNETIC MEDIUM READ HEAD

the specification of which

☐

is attached hereto.

☒

was filed on May 25, 2000 as PCT International Application  
No. PCT/US00/14449  
and was amended on \_\_\_\_\_ (if applicable).

I hereby state that I have reviewed and understand the contents of the above-identified specification, including the claims, as amended by any amendment referred to above.

I acknowledge the duty to disclose information which is material to patentability as defined in Title 37, Code of Federal Regulations, Section 1.56.

I hereby claim foreign priority benefits under Title 35, United States Code, Section 119(a)-(d) or Section 365(b), of any foreign application(s) for patent or inventor's certificate, or Section 365(a) of any PCT international application designating at least one country other than the United States listed below and have also identified below any foreign application for patent or inventor's certificate having a filing date before that of the application on which priority is claimed.

Prior Foreign Application(s):

<u>Number</u>	<u>Country</u>	<u>Date Filed</u>	<u>Priority Claimed</u>
_____	_____	<u>Day/Mo/Year</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	<u>Day/Mo/Year</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No

I hereby claim the benefit under Title 35, United States Code Section 119(e) of any United States provisional application(s) listed below.

<u>Application No.</u>	<u>Filing Date</u>
60/136,603	May 27, 1999

I hereby claim the benefit under Title 35, United States Code, Section 120 of any United States application(s), or Section 365(c) of any PCT international application designating the United States listed below, and, insofar as the subject matter of each of the claims of this application is not disclosed in the prior United States or PCT international application in the manner provided by the first paragraph of Title 35, United States Code, Section 112, I acknowledge the duty to disclose information which is material to patentability as defined in Title 37, Code of Federal Regulations, Section 1.56, which became available between the filing date of the prior application and the national or PCT international filing date of this application.

<u>Application Number</u>	<u>Filing Date</u>	<u>Status: Patented/ Pending/Abandoned</u>
09/560,842	April 28, 2000	Currently Abandoned
PCT/US00/14449	May 25, 2000	Currently Expired

I hereby appoint the attorneys associated with Customer No. 000996 to prosecute this application and to transact all business in the United States Patent and Trademark Office connected therewith. Address all correspondence and phone calls to:

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Telephone (425) 455-5575  
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I hereby further declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

Robert Lee  
Full Name of Inventor

United States  
Citizenship

\_\_\_\_\_  
Residence/Post Office Address

\_\_\_\_\_  
Inventor's Signature

\_\_\_\_\_  
Date

Jeffrey T. Haley  
Full Name of Inventor/ Post Office Address

United States  
Citizenship

\_\_\_\_\_  
Residence/ Post Office Address

\_\_\_\_\_  
Inventor's Signature

\_\_\_\_\_  
Date

Angelina Ople  
Full Name of Inventor

United States  
Citizenship

\_\_\_\_\_  
Residence/ Post Office Address

\_\_\_\_\_  
Inventor's Signature

\_\_\_\_\_  
Date

DECLARATION OF JOHN M. JANEWAY

I, John M. Janeway, hereby declare the following:

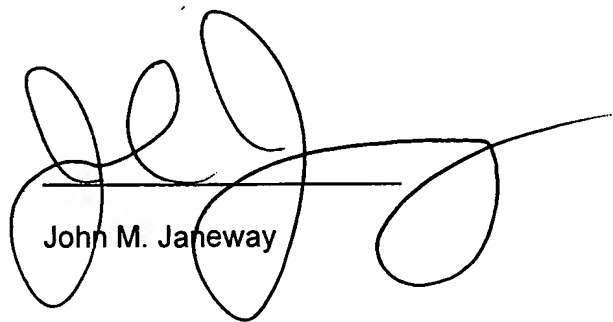
1. I am an attorney at Graybeal Jackson Haley LLP, 155-108th Avenue N.E., Suite 350, Bellevue, WA 98004-5973 (425) 455-5575, and am registered to practice before the U.S. Patent and Trademark Office (Registration No. 45,796). I am a patent attorney representing Graybeal Jackson Haley LLP, regarding the revival of the National Stage patent application titled THIN MAGNETIC MEDIUM READ HEAD, from the patent application filed under the Patent Cooperation Treaty on 25 May 2000 having the international application number PCT/US00/14449 and titled, THIN MAGNETIC MEDIUM READ HEAD.
2. The application PCT/US00/14449 names the following inventors: Messrs. Robert Lee and Jeffrey T. Haley, and Ms. Angelina Ople. A copy of the application PCT/US00/14449, as published by the World Intellectual Property Organization and indentified as WO 00/74040 A1, is attached as Exhibit A. The first page of WO 00/74040 lists the filing date, application number and inventors.
3. On 10 October 2005 I sent, via email, to Ms. Ople a request for her to join in the revival of the National Stage patent application. I attached to the request a copy of the application PCT/US00/14449 and a declaration for her signature to complete the revival. A copy of the email from me to Ms. Ople and the declaration attached to the email are attached as Exhibit B. A copy of the application PCT/US00/14449, as published by the World Intellectual Property Organization and indentified as WO 00/74040 A1, that was attached to my email dated 10 October 2005 is attached as Exhibit A, which was introduced in paragraph 2.

4. On 02 November 2005 Mr. Mark Ople and I discussed over the telephone, my email to Ms. Ople dated 10 October 2005, and the application and declaration attached to the email. During the discussion, Mr. Ople stated that he was Ms. Ople's son, that he is an attorney, and that Ms. Ople received my email dated 10 October 2005.

5. On 07 November 2005 Mr. Ople stated to me over the telephone that Ms. Angelina Ople refuses to sign the declaration.

6. I further declare that all statements made herein of my own knowledge are true; that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like, if so made, are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

Signed this <sup>7<sup>th</sup></sup> ..... day of February 2006.



John M. Janeway

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